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It is alleged that Feter Florin, the lending foreign-policy expect of the SED Gentral Committee, made the following statements at a meeting of leading East German functionaries:

It is to be expected that, in free elections in which political parties and wass organizations participate, the bourgeois-democratic forces may win. However, guarantees must be given before such elections take place that the provisions of the Potsdam Agreement calling for demilitarization be retained, that public ownership of heavy, basic and chemical industries continue, and that confiscated holdings of large landowners be retained by the small farmers to whom they were distributed.

- 2. Hermann Matern's speech and an SED Central Committee resolution on the occasion of the 35th anniversary of the founding of the KPD emphasized that now is the time for a real battle to democratize West Germany. The Central Committee resolution holds up East Germany as an exemple for all of Germany and emphasizes that no advances made by East Germany will be surrendered. The 1953 West German elections are characterized as an erroneous fecision; the SFD leadership is again castigated.
- In East German press also emphasized the East-West German common-action aim in stressing the request of the East Berlin Magistrat to the West Berlin Mouse of Representatives for a combined effort to achieve joint Carman representation at the Berlin Four-Power conference. Similar efforts are evidenced by a large-scale letter-writing campaign on the part of prominent East Berlin intellectuals writing to West Berlin citizens urging common action to adhieve joint East-West German representation at the Berlin conference.
- 4. It is alleged that the SED leadership sees as a definite result of the Berlin conference either unification of East and West Germany or irrevocable attachment of East Cormany to the Fastern Bloc.
- It was generally expected that food prices in the East Corman HO stores would be reduced again prior to the Berlin conference. During the holiday season the HO stores in large cities and industrial centers were well stocked with

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25 YEAR RE-REVIEW

SECREM

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Food and, in some arons, with textiles. Mild weather has allowed considerable alleviation of the potato "calemity" in Saxony and has allowed the successful completion of planting. No information is available as to whether land deserted by farmers who fled East Germany is again under cultivation or not.

- A high degree of unrest and dissatisfaction in the populations of Zeits and other middle German cities and towns was caused by the requisitioning of countless homes on the part of Bussian authorities.
- During the last four months the LDP Barink scoretaries in Gera, Halle, Leipzig, and Magdeburg were arrested. They have not as yet been tried.
- 8. It is reported that leading SED functionaries expect that a Minister of Education and Culture will be appointed in January and that Helmut Heltshauer, present head of the East Garman Art Commission, will be retired from the political scene.
- Peter Pries has been confirmed as head of the Agitation Department of the SED Central Committee. He is about 25 years of age, comes from the ranks of the FDJ, was a student for two years at the Karl Marx Academy, then second sourcetary at the SED Bazirk directorate Rostock. The fate of his predicessor, Hobert Korb, is not known.
- M. Paul Verner, not mentioned in the 15th and 16th Central Committee planum meetings, is again listed as Secretary of the Central Committee. He is regarded as an Ulbricht man.
- 23. Onto Schoon, also not mentioned in recent months, possibly 111, again appears in several reports as being in the SED Central Committee. He is regarded as an Ulbricht man.
- Re is said to work in Potsdam in a "revision" capacity. He is not yet back in the SED Central Committee.
- Russian Foreign Ministry. The views of the SED and Moseow are not necessarily identical. Possibly in an effort to provent its own elimination, the SED leadership is attempting to push Moseow into an ademant stand on the Potsdaw Agreement. It is interesting to note in this connection that Ulbricht is not listed among the participants celebrating the 35th anniversary of the KPD. It is possible that Ulbricht is in Emsia to present the view of the SED Folithur on the Berlin conference.

Comment: In attempting to determine how the SED view coincides or conflicts with that of the Russians, it is interesting to note that the official Russian newspaper, Rundschau ar Montag, in a post-holiday article calls 1954 the year of opportunity for the German people. The article goes on to state that the New Course in the Russian-occupied part of Germany is not to be concidered an isolated phenomenon. The New Course is not, the article states, only for the people of East Germany, but has in it further great goals. The article goes on to state that in contrast to the Adenauer regime the people and government of East Germany have, from the beginning, considered their state as a provisional state (Froviscriva), a first step in the establishment of a possesful, democratic, and unified Germany.

Companis Appeals to West German workers and farmers indicate that primary emphasis is no longer on a National Front, but on some type of "united action" thatic (workers' and peasants' state). The Matern speech shows confusion; on one hard the speech scene to be partially in preparation of the forthcoming SED

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MANE. 25X1 - 3 c party conference, with the aim of strongthening the position of the SED in East Germany; on the other hand, it seeks united action with West Germany in the flight for joint East-West Cerman participation at the Four-Power conference. 25X1 Comments The timing of Eastern Bloo party conferences (in Poland as carly as February) indicates that the Cermen problem is possibly on the egenda of these conferences. The SED leadership appears primarily interested in participation of the East Corner government in the Beclin conference and strengthening the opposition to Chencellor Adenaus in West Germany. Grands Reports received, principally through the Western Press, have 25X1 indicated that the Bussian requisitioning is for the purpose of supplying housing for the dependents of GOFG officers of all ranks. Formerly only general officers had this privilege. 6. Company: Possibly SED Bazirk Revision Countesion. 25X1 General's It is noteworthy that the Beria trial produced no requests for trial of Herrastadt and Zeisser, who in the NED Central Committee resolution on the cocasion of the 35th anniversary of the NPD appear as the "Social Remotratic fraction." There are no indications that Herrestoft and Release ere under arrest. Also notable in propaganda heralding the SED party conference is the mederate tone used in treating of party functionaries who have deviated from the party line. This temperate handling of deviationists leads to the possible assumption that no great purps is in the offing and that the SED is not to become an elite cadre-type party.

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